



March 12, 2004

Reply to Attn of:

TO: All Employees

FROM: B/Chief Financial Officer
F/Assistant Administrator for Human Resources

SUBJECT: New Personnel and Payroll System

What is it?

NASA has partnered with the Department of the Interior's (DOI) National Business Center (NBC) to provide the Agency with an integrated personnel/payroll system, and has initiated an Agencywide e-Payroll Project to work with NBC to transition from NASA's current personnel and payroll system to the DOI system in early August 2004. We believe this new system will provide improved efficiencies to NASA. While transition to the DOI system will be largely transparent to most NASA employees, there will be some aspects that will affect you. We want to keep you fully informed.

Why is NASA implementing this new system?

The President's February 2002 budget submission to Congress outlined a management agenda for making government more focused on citizens and results, which includes expanding Electronic Government or e-Government.

The e-Government Strategy includes several high-payoff, governmentwide initiatives to integrate agency operations and information technology investments. One of these initiatives is the e-Payroll Project. It involves selecting the 4 best payroll providers from among the current 22 provider agencies and moving all agencies to the 4 providers for cross servicing, with a projected lifecycle cost savings of \$995 million.

The four provider agencies are:

- Department of Defense, Defense Finance and Accounting Service (DFAS)
- General Services Administration (GSA)
- Department of Agriculture, National Finance Center (NFC)
- Department of Interior, National Business Center (NBC)

NASA selected the Department of Interior, NBC, as our provider due to its advanced capabilities and anticipated ease of migration from the NASA Personnel/Payroll System (NPPS). Unlike the other providers, DOI offers an excellent personnel system that is integrated with its payroll system, so we will be replacing NPPS in its entirety.


- The e-Payroll initiative seeks to simplify and standardize Federal Human Resources (HR)/Payroll policies and procedures and better integrate payroll, human resources, and finance functions. The ability to consolidate and standardize payroll data across the Federal government will improve the link between performance and budgets, and improve financial management by providing both program managers and finance officers with information needed to make well-informed decisions. Additionally, payroll service provider consolidation will generate cost savings through economies of volume, provide additional cost avoidance by limiting capital system modernization activities across the government, and promote standardization and unified service delivery.

How will I be kept informed?

This is the first in a series of memoranda to all employees designed to provide you with information on NASA's transition to the new system. We will supplement these "all employees" memoranda with memoranda to targeted audiences such as HR and Payroll Office personnel, managers and supervisors, and staff responsible for preparing SF-52's (Requests for Personnel Actions).



Gwendolyn Brown



Vicki A. Novak